

Calendar No. 467

81<sup>ST</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 2020**

[Report No. 475]

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IN THE SENATE OF THE UNITED STATES

JUNE 8 (legislative day, JUNE 2), 1949

MR. McCLELLAN, from the Committee on Expenditures in the Executive Departments, reported the following bill; which was read twice and placed on the calendar

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**A BILL**

To simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE

4 That this Act may be cited as the "Federal Property  
5 and Administrative Services Act of 1949".

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1

DECLARATION OF POLICY

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SEC. 2. It is the intent of the Congress in enacting this

3

legislation to provide for the Government an economical and

1 efficient system for (a) the procurement and supply of per-  
2 sonal property and nonpersonal services, including related  
3 functions such as contracting, inspection, storage, issue, speci-  
4 fications, property identification and classification, transporta-  
5 tion and traffic management, management of public utility  
6 services, repairing and converting, establishment of inventory  
7 levels, establishment of forms and procedures, and representa-  
8 tion before Federal and State regulatory bodies; (b) the  
9 utilization of available property; (c) the disposal of surplus  
10 property; and (d) records management.

11 DEFINITIONS

12 SEC. 3. As used in this Act—

13 (a) The term “executive agency” means any executive  
14 department or independent establishment in the executive  
15 branch of the Government, including any wholly owned Gov-  
16 ernment corporation.

17 (b) The term “Federal agency” means any executive  
18 agency or any establishment in the legislative or judicial  
19 branch of the Government.

20 (c) The term “Administrator” means the Administrator  
21 of General Services provided for in title I hereof.

22 (d) The term “property” means any interest in prop-  
23 erty of any kind except (1) the public domain and lands  
24 reserved or dedicated for national forest or national park

1 purposes; and (2) naval vessels of the following categories:  
2 Battleships, cruisers, aircraft carriers, destroyers, and sub-  
3 marines.

4 (e) The term "excess property" means any property  
5 under the control of any Federal agency which is not required  
6 for its needs and the discharge of its responsibilities, as  
7 determined by the head thereof.

8 (f) The term "foreign excess property" means any  
9 excess property located outside the continental United  
10 States, Hawaii, Alaska, Puerto Rico, and the Virgin  
11 Islands.

12 (g) The term "surplus property" means any excess  
13 property not required for the needs and the discharge of  
14 the responsibilities of the Federal Government, as deter-  
15 mined by the Administrator.

16 (h) The term "care and handling" includes complet-  
17 ing, repairing, converting, rehabilitating, operating, pre-  
18 serving, protecting, insuring, packing, storing, handling, con-  
19 serving, and transporting excess and surplus property, and, in  
20 the case of property which is dangerous to public health or  
21 safety, destroying or rendering innocuous such property.

22 (i) The term "person" includes any corporation, part-  
23 nership, firm, association, trust, estate, or other entity.

24 (j) The term "nonpersonal services" means such con-

1 tractual services, other than personal and professional  
2 services, as the Administrator shall designate.

3 (k) The term "contractor inventory" means (1)  
4 any property acquired by and in the possession of a con-  
5 tractor or subcontractor under a contract pursuant to the  
6 terms of which title is vested in the Government, and in  
7 excess of the amounts needed to complete full performance  
8 under the entire contract; and (2) any property which  
9 the Government is obligated to take over under any type  
10 of contract as a result either of any changes in the speci-  
11 fications or plans thereunder or of the termination of such  
12 contract (or subcontract thereunder), prior to completion  
13 of the work, for the convenience or at the option of the  
14 Government.

## 15 TITLE I—ORGANIZATION

### 16 GENERAL SERVICES AGENCY

17 SEC. 101. (a) There is hereby established an agency  
18 in the executive branch of the Government which shall be  
19 known as the General Services Agency.

20 (b) There shall be at the head of the General Services  
21 Agency an Administrator of General Services who shall be  
22 appointed by the President by and with the advice and  
23 consent of the Senate, and perform his functions subject to  
24 the direction and control of the President.

1 (c) There shall be in the General Services Agency a  
2 Deputy Administrator of General Services who shall be  
3 appointed by the Administrator of General Services.  
4 The Deputy Administrator shall perform such functions  
5 as the Administrator shall designate and shall be Acting  
6 Administrator of General Services during the absence or  
7 disability of the Administrator and, unless the President  
8 shall designate another officer of the Government, in the  
9 event of a vacancy in the office of Administrator.

10 (d) Pending the first appointment of the Administrator  
11 under the provisions of this section, his functions shall be  
12 performed temporarily by such officer of the Government  
13 in office upon or immediately prior to the taking of effect  
14 of the provisions of this Act as the President shall designate.

15 (e) The President is authorized to fix the compensa-  
16 tion of the Administrator, the Deputy Administrator, and  
17 of the heads and assistant heads of the principal organiza-  
18 tional units of the General Services Agency at such rates  
19 (not in excess of \$15,000 per annum) as he shall deem  
20 to be commensurate with the responsibilities and duties  
21 of their respective offices.

22 ABOLITION OF BUREAU OF FEDERAL SUPPLY AND TRANSFER  
23 OF CONTRACT SETTLEMENT FUNCTIONS

24 SEC. 102. (a) The functions of the Bureau of Federal  
25 Supply in the Department of the Treasury and its records,

1 property, personnel, obligations, and commitments, are  
2 hereby transferred to the Administrator of General Services,  
3 together with such additional records, property, and per-  
4 sonnel of the Department of the Treasury as the Director of  
5 the Bureau of the Budget shall determine to relate primarily  
6 to functions transferred by this section or vested in the  
7 Administrator by titles II, III, and V of this Act. The  
8 functions of the Director of the Bureau of Federal Supply,  
9 and the functions of the Secretary of the Treasury, relating  
10 to the Bureau of Federal Supply and the Director thereof,  
11 are hereby transferred to the Administrator. The Bureau  
12 of Federal Supply and the office of the Director of the Bureau  
13 of Federal Supply are hereby abolished.

14 (b) The functions of the Director of Contract Settle-  
15 ment and of the Office of Contract Settlement, transferred  
16 to the Secretary of the Treasury by Reorganization Plan  
17 Numbered 1 of 1947, are transferred to the Administrator  
18 and shall be performed by him or, subject to his direction  
19 and control, by such officers and agencies of the General  
20 Services Agency as he may designate. The Contract Set-  
21 tlement Act Advisory Board created by section 5 of the  
22 Contract Settlement Act of 1944 (58 Stat. 649) and the  
23 Appeal Board established under section 13 (d) of that Act  
24 are transferred from the Department of the Treasury to the  
25 General Services Agency, but the functions of these Boards

1 shall be performed by them, respectively, under con-  
2 ditions and limitations prescribed by law. There shall  
3 also be transferred to the General Services Agency such  
4 records, property, personnel, obligations, commitments, and  
5 unexpended balances (available or to be made available)  
6 of appropriations, allocations, and other funds of the Treas-  
7 ury Department as the Director of the Bureau of the Budget  
8 shall determine to relate primarily to the functions trans-  
9 ferred by the provisions of this subsection.

10 (c) Any other provision of this section notwithstanding,  
11 there may be retained in the Department of the Treasury  
12 any function referred to in subsection (a) of this section  
13 which the Director of the Bureau of the Budget shall, within  
14 ten days after the effective date of this Act, determine to be  
15 essential to the orderly administration of the affairs of the  
16 agencies of such Department, other than the Bureau of Fed-  
17 eral Supply, together with such records, property, personnel,  
18 obligations, commitments, and unexpended balances of ap-  
19 propriations, allocations, and other funds, available or to be  
20 made available, of said Department, as said Director shall  
21 determine.

22 TRANSFER OF AFFAIRS OF THE FEDERAL WORKS AGENCY

23 SEC. 103. (a) There are hereby transferred to the  
24 General Services Agency the Public Roads Administra-  
25 tion and its functions, records, property, personnel,



1 obligations, and commitments. All other functions, records,  
2 property, personnel, obligations, and commitments of the  
3 Federal Works Agency, of the Federal Works Administrator,  
4 and of the Commissioner of Public Buildings are hereby  
5 transferred to the Administrator of General Services.

6 (b) There are hereby abolished the Federal Works  
7 Agency, the Public Buildings Administration, the office of  
8 Federal Works Administrator, the office of the Commissioner  
9 of Public Buildings, and the office of Assistant Federal  
10 Works Administrator.

11 (c) Without regard to the provisions of section 103 (b) ,  
12 the President may continue, for such duration as he shall  
13 determine, as a constituent agency of the General Services  
14 Agency, the heretofore existing Bureau of Community  
15 Facilities of the Federal Works Agency.

16 RECORDS MANAGEMENT: TRANSFER OF THE NATIONAL  
17 ARCHIVES

18 SEC. 104. (a) The National Archives Establishment  
19 and its functions, records, property, personnel, obligations,  
20 and commitments are hereby transferred to the General  
21 Services Agency. There are transferred to the Administra-  
22 tor (1) the functions of the Archivist of the United States,  
23 except that the Archivist shall continue to be a member or  
24 chairman, as the case may be, of the bodies referred to in  
25 subsection (b) of this section, and (2) the functions of the

1 Director of the Division of the Federal Register of the  
2 National Archives Establishment. The Archivist of the  
3 United States shall hereafter be appointed by the  
4 Administrator.

5 (b) There are also transferred to the General Services  
6 Agency the following bodies, together with their respective  
7 functions: (1) The National Archives Council and the Na-  
8 tional Historical Publications Commission, established by the  
9 Act of June 19, 1934 (48 Stat. 1122), (2) the National  
10 Archives Trust Fund Board, established by the Act of July  
11 9, 1941 (55 Stat. 581), (3) the Board of Trustees of the  
12 Franklin D. Roosevelt Library, established by the Joint  
13 Resolution of July 18, 1939 (53 Stat. 1062), and (4) the  
14 Administrative Committee established by section 6 of the  
15 Act of July 26, 1935 (49 Stat. 501), which shall hereafter  
16 be known as the Administrative Committee of the Federal  
17 Register. The authority of the Administrator under section  
18 106 hereof shall not extend to the bodies or functions affected  
19 by this subsection.

20 (c) The Administrator is authorized (1) to make sur-  
21 veys of Government records and records management and  
22 disposal practices and obtain reports thereon from Federal  
23 agencies; (2) to promote, in cooperation with the executive  
24 agencies, improved records management practices and con-  
25 trols in such agencies, including the central storage or disposi-

1 tion of records not needed by such agencies for their current  
2 use; and (3) to report to the Congress and the Director  
3 of the Bureau of the Budget from time to time the results of  
4 such activities.

5 TRANSFER FOR LIQUIDATION OF THE AFFAIRS OF THE WAR

6 ASSETS ADMINISTRATION

7 SEC. 105. The functions, records, property, personnel,  
8 obligations, and commitments of the War Assets Admin-  
9 istration are hereby transferred to the General Services  
10 Agency. The functions of the War Assets Administrator  
11 are hereby transferred to the Administrator of General  
12 Services. The War Assets Administration, the office of  
13 the War Assets Administrator, and the office of Associate  
14 War Assets Administrator are hereby abolished. Personnel  
15 now holding appointments granted under the second sentence  
16 of section 5 (b) of the Surplus Property Act of 1944, as  
17 amended, may be continued in such positions or may be  
18 appointed to similar positions for such time as the Admin-  
19 istrator may determine.

20 REDISTRIBUTION OF FUNCTIONS

21 SEC. 106. The Administrator is hereby authorized, in  
22 his discretion, in order to provide for the effective accom-  
23 plishment of the functions transferred to or vested in him  
24 by this Act, and from time to time, to regroup, transfer,  
25 and distribute any such functions within the General Services

1 Agency, and with the approval of the Director of the Bureau  
2 of the Budget to make appropriate transfers of funds in  
3 connection therewith.

4 TRANSFER OF FUNDS

5 SEC. 107. (a) All unexpended balances of appropriations,  
6 allocations, or other funds available or to be made available,  
7 for the use of the Bureau of Federal Supply, the War Assets  
8 Administration, the Federal Works Agency, and the Na-  
9 tional Archives Establishment, and so much of the other  
10 unexpended balances of appropriations, allocations, or other  
11 funds of the Department of the Treasury, available or to be  
12 made available, as the Director of the Bureau of the Budget  
13 shall determine to relate primarily to functions transferred  
14 to or vested in the Administrator by the provisions of this  
15 Act, shall be transferred to the General Services Agency  
16 for use in connection with the functions to which such bal-  
17 ances relate, respectively.

18 (b) When other functions are transferred to the Gen-  
19 eral Services Agency from any Federal agency, there shall  
20 be transferred such records, property, personnel, appropri-  
21 ations, allocations, and other funds of such agency to the  
22 General Services Agency as the Director of the Bureau of  
23 the Budget shall determine to relate primarily to the func-  
24 tions so transferred.

## 1 STATUS OF TRANSFERRED EMPLOYEES

2 SEC. 108. Subject to other provisions of this title relating  
3 to personnel, employees transferred by the provisions of this  
4 title shall be deemed to be employees of the General Services  
5 Agency, and their reappointment shall not be required by  
6 reason of the enactment of this Act.

## 7 GENERAL SUPPLY FUND

8 SEC. 109. (a) There is hereby authorized to be set  
9 aside in the Treasury a special fund which shall be known  
10 as the General Supply Fund. Such fund shall be composed  
11 of the assets of the general supply fund (including any  
12 surplus therein) created by section 3 of the Act of Feb-  
13 ruary 27, 1929 (45 Stat. 1342; 41 U. S. C. 7c), and  
14 transferred to the Administrator by section 102 of this Act,  
15 and such sums as may be appropriated thereto, and the  
16 fund shall assume all of the liabilities, obligations, and com-  
17 mitments of the general supply fund created by such Act  
18 of February 27, 1929. The capital of the General Supply  
19 Fund shall be in an amount not greater than \$100,000,000.  
20 The General Supply Fund shall be available for use by or  
21 under the direction and control of the Administrator (1)  
22 for procuring personal property (including the purchase  
23 from or through the Public Printer of standard forms and

1 blankbook work for field warehouse issue) and nonpersonal  
2 services for the use of Federal agencies in the proper dis-  
3 charge of their responsibilities, and (2) for paying all ele-  
4 ments of cost of the procurement, handling, and distribution  
5 thereof, except that on and after July 1, 1950, those elements  
6 of cost which are determined by the Administrator with the  
7 approval of the Director of the Bureau of the Budget to be  
8 indirect or overhead costs shall not be paid from the fund.

9 (b) Payment by requisitioning agencies shall be at  
10 prices fixed by the Administrator. Until July 1, 1950, such  
11 prices shall be fixed in accordance with law and regulations  
12 applicable on the date of enactment of this Act to prices  
13 fixed by the Director of the Bureau of Federal Supply. On  
14 and after such date, such prices shall be fixed at levels so  
15 as to recover so far as practicable all costs except those  
16 which are determined by the Administrator with the approval  
17 of the Director of the Bureau of the Budget to be indirect  
18 or overhead costs. Requisitioning agencies shall pay by  
19 advance of funds in all cases where it is determined by the  
20 Administrator that there is insufficient capital otherwise avail-  
21 able in the General Supply Fund. Advances of funds also  
22 may be made by agreement between the requisitioning agen-  
23 cies and the Administrator. Where an advance of funds  
24 is not made, requisitioning agencies shall promptly reimburse  
25 the General Services Agency on vouchers prepared by the

1 requisitioning agency on the basis of itemized invoices sub-  
2 mitted by the Administrator and receiving reports evidencing  
3 the delivery to the requisitioning agency of such supplies or  
4 services: *Provided*, That in any case where payment shall  
5 not have been made by the requisitioning agency within  
6 forty-five days after the date of billing by the Administrator,  
7 reimbursement may be obtained by the Administrator by the  
8 issuance of transfer and counterwarrants supported by item-  
9 ized invoices.

10 (c) The General Supply Fund shall be credited with all  
11 reimbursements, advances of funds, and refunds or recoveries  
12 relating to supplies or services procured through the fund,  
13 including the net proceeds of disposal of surplus supplies  
14 procured through the fund and receipts from carriers and  
15 others for loss of, or damage to, supplies procured through  
16 the fund; and the same are hereby reappropriated for the  
17 purposes of the fund.

18 (d) A special deposit account may be established as a  
19 part of the General Supply Fund with the Treasurer of the  
20 United States for use by the chief disbursing officer or any  
21 regional disbursing officer, Department of the Treasury,  
22 which may be credited with (1) funds advanced from the  
23 General Supply Fund account on the books of the Division  
24 of Bookkeeping and Warrants and (2) other funds properly  
25 for credit to the General Supply Fund without being covered

1 into the Treasury of the United States; and such special  
2 deposit account may be charged with payments properly  
3 chargeable to the General Supply Fund.

4 (e) The Comptroller General of the United States shall  
5 make an annual audit of the General Supply Fund as of  
6 June 30, and there shall be covered into the United States  
7 Treasury as miscellaneous receipts any surplus found therein,  
8 all assets, liabilities, and prior losses considered, above the  
9 amounts transferred or appropriated to establish and main-  
10 tain said fund, and the Comptroller General shall report  
11 to the Congress annually the results of the audit, together  
12 with such recommendations as he may have regarding the  
13 status and operations of the fund.

14 (f) Subject to the requirements of subsections (a) to  
15 (e), inclusive, of this section, the General Supply Fund  
16 also may be used for the procurement of supplies and non-  
17 personal services authorized to be acquired by mixed-own-  
18 ership Government corporations, or by the municipal  
19 government of the District of Columbia, or by a requisitioning  
20 non-Federal agency when the function of a Federal agency  
21 authorized to procure for it is transferred to the General  
22 Services Agency: *Provided*, That the prices charged by the  
23 Administrator in such cases shall be fixed at levels which  
24 he estimates will be sufficient to recover, in addition to the  
25 direct costs of the procurement, handling, and distribution



1 of such supplies and services, the indirect and overhead  
2 costs that the Administrator determines are allocable  
3 thereto.

4 TITLE II—PROPERTY MANAGEMENT

5 PROCUREMENT, WAREHOUSING, AND RELATED ACTIVITIES

6 SEC. 201. (a) The Administrator shall, in respect of  
7 executive agencies, and to the extent that he determines  
8 that so doing is advantageous to the Government in  
9 terms of economy, efficiency, or service, and with due  
10 regard to the program activities of the agencies concerned—

11 (1) prescribe policies and methods of procurement  
12 and supply of personal property and nonpersonal serv-  
13 ices, including related functions such as contracting,  
14 inspection, storage, issue, specifications, property iden-  
15 tification and classification, transportation and traffic  
16 management, management of public utility services, and  
17 repairing and converting; and

18 (2) operate, and, after consultation with the execu-  
19 tive agencies affected, consolidate, take over, or arrange  
20 for the operation by any executive agency of ware-  
21 houses, supply centers, repair shops, fuel yards, and  
22 other similar facilities; and

23 (3) procure and supply personal property and  
24 nonpersonal services for the use of executive agencies

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1 in the proper discharge of their responsibilities, and  
2 perform functions related to procurement and supply  
3 such as those mentioned above in subparagraph (1):

4 *Provided*, That contracts for public utility services may  
5 be made for periods not exceeding ten years; and

6 (4) with respect to transportation and other  
7 public utility services for the use of executive agencies,  
8 represent such agencies in negotiations with carriers  
9 and other public utilities and in proceedings involving  
10 carriers or other public utilities before Federal and  
11 State regulatory bodies;

12 *Provided*, That the Secretary of Defense may from time  
13 to time, unless the President shall otherwise direct, exempt  
14 the National Military Establishment from action taken or  
15 which may be taken by the Administrator under clauses (1),  
16 (2), (3), and (4) above whenever he determines such  
17 exemption to be in the best interests of national security.

18 (b) The Administrator shall as far as practicable provide  
19 any of the services specified in subsection (a) of this section  
20 to any other Federal agency, mixed ownership corporation  
21 (as defined in the Government Corporation Control Act), or  
22 the District of Columbia, upon its request.

23 (c) In acquiring personal property, any executive  
24 agency, under regulations to be prescribed by the Adminis-  
25 trator, may exchange or sell similar items (provided that

1 such items are exchanged as a general practice in trade chan-  
2 nels), and may apply the exchange allowance or proceeds  
3 of sale in such cases in whole or in part payment for the  
4 property acquired: *Provided*, That any transaction carried  
5 out under the authority of this subsection shall be evidenced  
6 in writing.

7 PROPERTY UTILIZATION

8 SEC. 202. (a) In order to minimize expenditures for  
9 property, the Administrator shall prescribe policies and  
10 methods to promote the maximum utilization of excess prop-  
11 erty by executive agencies, and he shall provide for the  
12 transfer of excess property among Federal agencies.

13 (b) Each executive agency shall (1) maintain ade-  
14 quate inventory controls and accountability systems for the  
15 property under its control, (2) continuously survey prop-  
16 erty under its control to determine which is excess property,  
17 and promptly report such property to the Administrator,  
18 (3) perform the care and handling of such excess property,  
19 and (4) transfer or dispose of such property as promptly  
20 as possible in accordance with authority delegated and  
21 regulations prescribed by the Administrator.

22 (c) Each executive agency shall, as far as practicable,  
23 (1) make reassignments of property among activities within  
24 the agency when such property is determined to be no longer  
25 required for the purposes of the appropriation from which

1 it was purchased, (2) transfer excess property under its  
2 control to other Federal agencies, and (3) obtain excess  
3 property from other Federal agencies.

4 (d) Under existing provisions of law and procedures  
5 defined by the Secretary of Defense, and without regard to  
6 the requirements of this section except subsection (f), ex-  
7 cess property of one of the departments of the National Mili-  
8 tary Establishment may be transferred to another department  
9 thereof.

10 (e) Transfers of excess property between Federal agen-  
11 cies (except transfers for redistribution to other Federal  
12 agencies or for disposal as surplus property) shall be at the  
13 fair value thereof, as determined by, or pursuant to regula-  
14 tions of, the Administrator, unless such transfer is other-  
15 wise authorized by any law approved subsequent to June  
16 21, 1944, to be without reimbursement or transfer  
17 of funds.

18 (f) The Director of the Bureau of the Budget shall  
19 prescribe regulations providing for the reporting to said  
20 Director by executive agencies of such reassignments or  
21 transfers of property between activities financed by different  
22 appropriations as he shall deem appropriate, and the re-  
23 assignments and transfers so reported shall be reported to  
24 the Congress in the annual budget or otherwise as said  
25 Director may determine.

## 21

1 (g) Whenever the Administrator determines that the  
2 temporary assignment or reassignment of any space in  
3 excess real property to any Federal agency for office, stor-  
4 age, or related facilities would be more advantageous than  
5 the permanent transfer of such property, he may make such  
6 assignment or reassignment for such period of time as he  
7 shall determine and obtain, in the absence of appropriation  
8 available to him therefor, appropriate reimbursement from  
9 the using agency for the expense of maintaining such space.

10 (h) The Administrator may authorize the abandonment,  
11 destruction, or donation to public bodies of property which  
12 has no commercial value or of which the estimated cost of  
13 continued care and handling would exceed the estimated  
14 proceeds from its sale.

## 15 DISPOSAL OF SURPLUS PROPERTY

16 SEC. 203. (a) Except as otherwise provided in this  
17 section, the Administrator shall have supervision and direc-  
18 tion over the disposition of surplus property. Such property  
19 shall be disposed of to such extent, at such time, in such  
20 areas, by such agencies, at such terms and conditions, and in  
21 such manner, as may be prescribed in or pursuant to this Act.

22 (b) The care and handling of surplus property, pending  
23 its disposition, and the disposal of surplus property, may be  
24 performed by the General Services Agency or, when so  
25 determined by the Administrator, by the executive agency

1 in possession thereof or by any other executive agency  
2 consenting thereto.

3 (c) Any executive agency designated or authorized  
4 by the Administrator to dispose of surplus property may do  
5 so by sale, exchange, lease, permit, or transfer, for cash,  
6 credit, or other property, with or without warranty, and  
7 upon such other terms and conditions as the Administrator  
8 deems proper, and it may execute such documents for the  
9 transfer of title or other interest in property and take such  
10 other action as it deems necessary or proper to dispose of  
11 such property under the provisions of this title.

12 (d) A deed, bill of sale, lease, or other instrument  
13 executed by or on behalf of any executive agency purporting  
14 to transfer title or any other interest in property under this  
15 title shall be conclusive evidence of compliance with the  
16 provisions of this title insofar as concerns title or other  
17 interest of any bona fide grantee or transferee for value  
18 and without notice of lack of such compliance.

19 (e) Unless the Administrator shall determine that dis-  
20 posal by advertising will in a given case better protect the  
21 public interest, surplus property disposals may be made with-  
22 out regard to any provision of existing law for advertising  
23 until 12 o'clock noon, eastern standard time, December 31,  
24 1950.

25 (f) Subject to regulations of the Administrator, any

1 executive agency may authorize any contractor with such  
2 agency or subcontractor thereunder to retain or dispose of  
3 any contractor inventory.

4 (g) The Administrator, in formulating policies with  
5 respect to the disposal of surplus agricultural commodities,  
6 surplus foods processed from agricultural commodities, and  
7 surplus cotton or woolen goods, shall consult with the Sec-  
8 retary of Agriculture. Such policies shall be so formulated  
9 as to prevent surplus agricultural commodities, or surplus  
10 food processed from agricultural commodities, from being  
11 dumped on the market in a disorderly manner and dis-  
12 rupting the market prices for agricultural commodities.

13 (h) Whenever the Secretary of Agriculture determines  
14 such action to be required to assist him in carrying out his  
15 responsibilities with respect to price support or stabilization,  
16 the Administrator shall transfer without charge to the De-  
17 partment of Agriculture any surplus agricultural commod-  
18 ities, foods, or cotton or woolen goods to be disposed of.  
19 Receipts resulting from disposal by the Department of  
20 Agriculture under this subsection shall be deposited pursuant  
21 to any authority available to the Secretary of Agriculture,  
22 except that net proceeds of any sale of surplus property  
23 so transferred shall be credited pursuant to section 204 (b),  
24 when applicable. Surplus farm commodities so transferred  
25 shall not be sold, other than for export, in quantities in

1 excess of, or at prices less than, those applicable with respect  
2 to sales of such commodities by the Commodity Credit  
3 Corporation.

4 (i) The United States Maritime Commission shall dis-  
5 pose of surplus vessels of one thousand five hundred gross  
6 tons or more which the Commission determines to be mer-  
7 chant vessels or capable of conversion to merchant use, and  
8 such vessels shall be disposed of only in accordance with the  
9 provisions of the Merchant Marine Act, 1936, as amended,  
10 and other laws authorizing the sale of such vessels.

11 (j) (1) Under such regulations as he may prescribe,  
12 the Administrator is authorized in his discretion to donate  
13 for educational purposes in the States, Territories, and pos-  
14 sessions without cost (except for costs of care and handling)  
15 such equipment, materials, books, or other supplies under  
16 the control of any executive agency as shall have been  
17 determined to be surplus property and which shall have  
18 been determined under paragraph 2 or paragraph 3 of this  
19 subsection to be usable for educational purposes.

20 (2) Determination whether such property (except sur-  
21 plus property donated in conformity with paragraph 3 of this  
22 subsection) is usable and necessary for educational purposes  
23 shall be made by the Federal Security Administrator, who  
24 shall allocate such property on the basis of needs and utiliza-  
25 tion for transfer by the Administrator of General Services to



1 tax-supported school systems, schools, colleges, and univer-  
2 sities, and to other nonprofit schools, colleges, and uni-  
3 versities which have been held exempt from taxation under  
4 section 101 (6) of the Internal Revenue Code, or to State  
5 departments of education for distribution to such tax-  
6 supported and nonprofit school systems, schools, colleges,  
7 and universities; except that in any State where another  
8 agency is designated by State law for such purpose such  
9 transfer shall be made to said agency for such distribution  
10 within the State.

11 (3) In the case of surplus property under the control of  
12 the National Military Establishment, the Secretary of Defense  
13 shall determine whether such property is usable and neces-  
14 sary for educational activities that are of special interest to  
15 the armed services, such as maritime academies or military,  
16 naval, Air Force, or Coast Guard preparatory schools. If  
17 such Secretary shall determine that such property is usable  
18 and necessary for such purposes, he shall allocate it for  
19 transfer by the Administrator to such educational activities.  
20 If he shall determine that such property is not usable and  
21 necessary for such purposes, it may be disposed of in accord-  
22 ance with paragraph 2 of this subsection.

23 (k) (1) Under such regulations as he may prescribe,  
24 the Administrator is authorized, in his discretion, to assign

1 to the Federal Security Administrator for disposal such  
2 surplus real property, including buildings, fixtures, and  
3 equipment situated thereon, as is recommended by the  
4 Federal Security Administrator as being needed for school,  
5 classroom, or other educational use, or for use in the pro-  
6 tection of public health, including research.

7 (A) Subject to the disapproval of the Administrator  
8 within thirty days after notice to him by the Federal  
9 Security Administrator of a proposed transfer of property  
10 for school, classroom, or other educational use, the  
11 Federal Security Administrator, through such officers or  
12 employees of the Federal Security Agency as he may  
13 designate, may sell or lease such real property, including  
14 buildings, fixtures, and equipment situated thereon, for  
15 educational purposes to the States and their political sub-  
16 divisions and instrumentalities, and tax-supported educa-  
17 tional institutions, and to other nonprofit educational  
18 institutions which have been held exempt from taxation  
19 under section 101 (6) of the Internal Revenue Code.

20 (B) Subject to the disapproval of the Administrator  
21 within thirty days after notice to him by the Federal  
22 Security Administrator of a proposed transfer of property  
23 for public-health use, the Federal Security Administrator,  
24 through such officers or employees of the Federal Se-  
25 curity Agency as he may designate, may sell or lease

1       such real property for public-health purposes, including  
2       research, to the States and their political subdivisions and  
3       instrumentalities, and to tax-supported medical institu-  
4       tions, and to hospitals or other similar institutions not  
5       operated for profit which have been held exempt from  
6       taxation under section 101 (6) of the Internal Revenue  
7       Code.

8           (C) In fixing the sale or lease value of property  
9       to be disposed of under subparagraph (A) and sub-  
10      paragraph (B) of this paragraph, the Federal Security  
11      Administrator shall take into consideration any benefit  
12      which has accrued or may accrue to the United States  
13      from the use of such property by any such State, political  
14      subdivision, instrumentality, or institution.

15           (D) "States" as used in this subsection includes  
16      the District of Columbia and the Territories and posses-  
17      sions of the United States.

18           (2) Subject to the disapproval of the Administrator  
19      within thirty days after notice to him of any action to be  
20      taken under this subsection—

21           (A) the Federal Security Administrator, through  
22      such officers or employees of the Federal Security  
23      Agency as he may designate, in the case of property  
24      transferred pursuant to the Surplus Property Act of  
25      1944, as amended, and pursuant to this Act, to States,

1 political subdivisions, and instrumentalities thereof, and  
2 tax-supported and other nonprofit educational institu-  
3 tions for school, classroom, or other educational use;

4 (B) the Federal Security Administrator, through  
5 such officer or employees of the Federal Security Agency  
6 as he may designate, in the case of property transferred  
7 pursuant to the Surplus Property Act of 1944, as  
8 amended, and pursuant to this Act, to States, political  
9 subdivisions and instrumentalities thereof, tax-supported  
10 medical institutions, and to hospitals and other similar  
11 institutions not operated for profit, for use in the pro-  
12 tection of public health (including research) ;

13 (C) the Secretary of the Interior, in the case of  
14 property transferred pursuant to the Surplus Property  
15 Act of 1944, as amended, and pursuant to this Act, to  
16 States, political subdivisions, and instrumentalities  
17 thereof, and municipalities for use as a public park,  
18 public recreational area, or historic monument for the  
19 benefit of the public; or

20 (D) the Secretary of Defense, in the case of prop-  
21 erty transferred pursuant to the Surplus Property Act  
22 of 1944, as amended, to States, political subdivisions,  
23 and tax-supported instrumentalities thereof for use in

1 the training and maintenance of civilian components of  
2 the armed forces,

3 is authorized and directed—

4 (i) to determine and enforce compliance with the  
5 terms, conditions, reservations, and restrictions contained  
6 in any instrument by which such transfer was made;

7 (ii) to reform, correct, or amend any such instru-  
8 ment by the execution of a corrective, reformatory, or  
9 amendatory instrument where necessary to correct such  
10 instrument or to conform such transfer to the require-  
11 ments of applicable law; and

12 (iii) to (I) grant releases from any of the terms,  
13 conditions, reservations, and restrictions contained in,  
14 and (II) convey, quitclaim, or release to the transferee  
15 or other eligible user any right or interest reserved to  
16 the United States by, any instrument by which such  
17 transfer was made, if he determines that the property  
18 so transferred no longer serves the purpose for which it  
19 was transferred, and that such release, conveyance, or  
20 quitclaim deed will not prevent accomplishment of the  
21 purpose for which such property was so transferred:  
22 *Provided*, That any such release, conveyance, or quit-  
23 claim deed may be granted on, or made subject to, such

1 terms and conditions as he shall deem necessary to  
2 protect or advance the interests of the United States.

3 (1) The Administrator is authorized to take possession  
4 of abandoned and other unclaimed property on premises  
5 owned or leased by the Government, to determine when  
6 title thereto vested in the United States, and to utilize,  
7 transfer or otherwise dispose of such property. Former  
8 owners of such property upon proper claim filed within three  
9 years from the date of vesting of title in the United States  
10 shall be paid the proceeds realized from the disposition of  
11 such property or, if the property is used or transferred, the  
12 fair value therefor as of the time title was vested in the  
13 United States as determined by the Administrator, less in  
14 either case the costs incident to the care and handling of  
15 such property as determined by the Administrator.

16 PROCEEDS FROM TRANSFER OR DISPOSITION OF PROPERTY

17 SEC. 204. (a) All proceeds under this title from any  
18 transfer of excess property to a Federal agency for its use,  
19 or from any sale, lease, or other disposition of surplus prop-  
20 erty, shall be covered into the Treasury as miscellaneous  
21 receipts, except as provided in subsections (b), (c), and (d)  
22 of this section.

23 (b) Where the property transferred or disposed of was  
24 acquired by the use of funds either not appropriated from  
25 the general fund of the Treasury or appropriated therefrom

1 but by law reimbursable from assessment, tax, or other rev-  
2 enue or receipts, then the net proceeds of the disposition or  
3 transfer shall be credited to the reimbursable fund or ap-  
4 propriation or paid to the Federal agency which determined  
5 such property to be excess: *Provided*, That the proceeds  
6 shall be credited to miscellaneous receipts in any case when  
7 the agency which determined the property to be excess shall  
8 deem it uneconomical or impractical to ascertain the amount  
9 of net proceeds. As used in this subsection, the term "net  
10 proceeds of the disposition or transfer" means the proceeds  
11 of the disposition or transfer minus all expenses incurred  
12 for care and handling and disposition or transfer.

13 (c) Any Federal agency disposing of surplus property  
14 under this title (1) may deposit, in a special account with  
15 the Treasurer of the United States, such amount of the  
16 proceeds of such dispositions as it deems necessary to permit  
17 appropriate refunds to purchasers when any disposition is  
18 rescinded or does not become final, or payments for breach  
19 of any warranty, and (2) may withdraw therefrom amounts  
20 so to be refunded or paid, without regard to the origin of  
21 the funds withdrawn.

22 (d) Where any contract entered into by an executive  
23 agency or any subcontract under such contract authorizes  
24 the proceeds of any sale of property in the custody of the  
25 contractor or subcontractor to be credited to the price or

1 cost of the work covered by such contract or subcontract,  
2 the proceeds of any such sale shall be credited in accordance  
3 with the contract or subcontract.

4 (e) Where credit has been extended in connection with  
5 any disposition of surplus property under this title or by  
6 War Assets Administration (or its predecessor agencies)  
7 under the Surplus Property Act of 1944, or where such  
8 disposition has been by lease or permit, the Administrator  
9 shall administer and manage such credit, lease, or permit,  
10 and any security therefor, and may enforce, adjust, and  
11 settle any right of the Government with respect thereto in  
12 such manner and upon such terms as he deems in the best  
13 interest of the Government.

14 POLICIES, REGULATIONS, AND DELEGATIONS

15 SEC. 205. (a) The President may prescribe such poli-  
16 cies and directives, not inconsistent with the provisions of  
17 this Act, as he shall deem necessary to effectuate the provi-  
18 sions of this Act, which policies and directives shall govern  
19 the Administrator and executive agencies in carrying out  
20 their respective functions hereunder.

21 (b) The Comptroller General shall prescribe principles  
22 and standards of accounting for property, after considering  
23 the needs and requirements of the executive agencies, coop-  
24 erate with the Administrator and with the executive agencies  
25 in the development of property accounting systems, and ap-



1 prove such systems when deemed to be adequate and in con-  
2 formity with prescribed principles and standards. From time  
3 to time the General Accounting Office shall examine such  
4 property accounting systems as are established by the ex-  
5 ecutive agencies to determine the extent of compliance with  
6 prescribed principles and standards and approved systems,  
7 and the Comptroller General shall report to the Congress any  
8 failure to comply with such principles and standards or to  
9 adequately account for property.

10 (c) The Administrator shall prescribe such regulations  
11 as he deems necessary to effectuate his functions under  
12 this Act, and the head of each Federal agency shall cause  
13 to be issued such orders and directives as such head deems  
14 necessary to carry out such regulations.

15 (d) The Administrator is authorized to delegate and  
16 to authorize successive redelegation of any authority trans-  
17 ferred to or vested in him by this Act (except for the  
18 authority to issue regulations on matters of policy having  
19 application to executive agencies, the authority contained  
20 in section 106, and except as otherwise provided in this  
21 Act) to any official in the General Services Agency or to  
22 the head of any other Federal agency.

23 (e) With respect to any function transferred to or  
24 vested in the General Services Agency or the Administrator  
25 by this Act, the Administrator may (1) direct the under-

1 taking of its performance by the General Services Agency  
2 or by any constituent organization therein which he may  
3 designate or establish; or (2) designate and authorize any  
4 executive agency to perform such function for itself; or (3)  
5 designate and authorize any other executive agency to per-  
6 form such function; or (4) provide for such performance  
7 by any combination of the foregoing methods. Any desig-  
8 nation or assignment of functions or delegation of authority  
9 to another executive agency under this section shall be  
10 made only with the consent of the executive agency con-  
11 cerned or upon direction of the President.

12 (f) When any executive agency (including the  
13 General Services Agency and constituent organizations there-  
14 of) is authorized and directed by the Administrator to carry  
15 out any function under this Act, the Administrator may,  
16 with the approval of the Director of the Bureau of the  
17 Budget, provide for the transfer of appropriate personnel,  
18 records, property, and allocated funds of the General Services  
19 Agency, or of such other executive agency as has theretofore  
20 carried out such function, to the executive agency so author-  
21 ized and directed.

22 (g) The Administrator may establish advisory com-  
23 mittees to advise with him with respect to any function trans-  
24 ferred to or vested in the Administrator by this Act. The  
25 members thereof shall serve without compensation but

1 shall be entitled to transportation and not to exceed \$25  
2 per diem in lieu of subsistence, as authorized by section 5  
3 of the Act of August 2, 1946 (5 U. S. C. 73b-2), for  
4 persons so serving.

5 (h) The Administrator shall advise and consult with  
6 interested Federal agencies with a view to obtaining their  
7 advice and assistance in carrying out the purposes of this  
8 title.

9 SURVEYS AND STANDARDIZATION

10 SEC. 206. (a) As he may deem necessary for the effec-  
11 tuation of his functions under this title, and after adequate  
12 advance notice to the agencies affected, and with due regard  
13 to the requirements of the National Military Establishment  
14 as determined by the Secretary of Defense, the Adminis-  
15 trator is authorized (1) to make surveys of Government  
16 property and property management practices and obtain  
17 reports thereon from Federal agencies; (2) to cooperate  
18 with executive agencies in the establishment of reasonable  
19 inventory levels for property stocked by them and from time  
20 to time report any excessive stocking to the Congress and  
21 to the Director of the Bureau of the Budget; (3) to estab-  
22 lish and maintain such uniform Federal supply catalog system  
23 as may be appropriate to identify and classify personal prop-  
24 erty under the control of Federal agencies: *Provided, That*  
25 the Administrator shall coordinate his activities hereunder

1 with the cataloging activities of the National Military Estab-  
2 lishment so as to avoid unnecessary duplication; and (4) to  
3 prescribe standardized forms and procedures, except such  
4 as the Comptroller General is authorized by law to prescribe,  
5 and standard purchase specifications.

6 (b) Each executive agency shall utilize such uniform  
7 Federal supply catalog system and standard purchase speci-  
8 fications as far as practicable, taking into consideration  
9 efficiency, economy, and other interests of the Government.

10 (c) The General Accounting Office shall audit all types  
11 of property accounts and transactions at such times and in  
12 such manner as determined by the Comptroller General.  
13 Such audit shall be conducted as far as practicable at the  
14 place or places where the property or records of the execu-  
15 tive agencies are kept and shall include but not necessarily  
16 be limited to an evaluation of the effectiveness of internal  
17 controls and audits, and a general audit of the discharge of  
18 accountability for Government-owned or controlled property  
19 based upon generally accepted principles of auditing.

20                   APPLICABILITY OF ANTITRUST LAWS

21       SEC. 207. Whenever any executive agency shall begin  
22 negotiations for the disposition to private interests of a plant  
23 or plants, or other property, which cost the Government  
24 \$1,000,000 or more, or of patents, processes, techniques, or  
25 inventions, irrespective of cost, the executive agency shall

1 promptly notify the Attorney General of the proposed dis-  
2 posal and the probable terms or conditions thereof. Within  
3 a reasonable time, in no event to exceed thirty days after  
4 receiving such notification, the Attorney General shall advise  
5 the Administrator and the interested executive agency  
6 whether, insofar as he can determine, the proposed disposition  
7 would tend to create or maintain a situation inconsistent with  
8 the antitrust laws. Upon the request of the Attorney  
9 General, the Administrator or interested executive agency  
10 shall furnish or cause to be furnished such information as it  
11 may possess which the Attorney General determines to be  
12 appropriate or necessary to enable him to give the advice  
13 called for by this section or to determine whether any other  
14 disposition or proposed disposition of surplus property  
15 violates the antitrust laws. Nothing in this Act shall impair,  
16 amend, or modify the antitrust laws or limit and prevent their  
17 application to persons who buy or otherwise acquire property  
18 under the provisions of this Act. As used in this section, the  
19 term "antitrust laws" includes the Act of July 2, 1890 (26  
20 Stat. 209, as amended) ; the Act of October 15, 1914 (38  
21 Stat. 730, as amended) ; the Federal Trade Commission  
22 Act (38 Stat. 717, as amended) ; and sections 73 and 74 of  
23 the Act of August 27, 1894 (28 Stat. 570, as amended).

24 EMPLOYMENT OF PERSONNEL

25 SEC. 208. (a) The Administrator is authorized, subject

1 to the civil-service and classification laws, to appoint and fix  
2 the compensation of such personnel as may be necessary  
3 to carry out the provisions of title I, II, III, and V of this  
4 Act.

5 (b) To such extent as he finds necessary to carry out  
6 the provisions of titles I, II, III, and V of this Act, the Ad-  
7 ministrator is hereby authorized to procure the temporary  
8 (not in excess of one year) or intermittent services of experts  
9 or consultants or organizations thereof, including stenographic  
10 reporting services, by contract or appointment, and in such  
11 cases such service shall be without regard to the civil-service  
12 and classification laws, and, except in the case of stenographic  
13 reporting services by organizations, without regard to section  
14 3709, Revised Statutes, as amended (41 U. S. C. 5).

15 (c) Notwithstanding the provisions of section 1222 of  
16 the Revised Statutes (10 U. S. C. 576) or of any other  
17 provision of law, the Administrator in carrying out the  
18 functions imposed upon him by this Act is authorized to  
19 utilize in his agency the services of officials, officers, and  
20 other personnel in other executive agencies, including per-  
21 sonnel of the armed services, with the consent of the head of  
22 the agency concerned.

23 CIVIL REMEDIES AND PENALTIES

24 SEC. 209. (a) Where any property is transferred or  
25 disposed of in accordance with this Act and any regulations

1 prescribed hereunder, no officer or employee of the Govern-  
 2 ment shall (1) be liable with respect to such transfer or  
 3 disposition except for his own fraud, or (2) be accountable  
 4 for the collection of any purchase price for such property  
 5 which is determined to be uncollectible by the Federal agency  
 6 responsible therefor.

7 (b) Every person who shall use or engage in, or cause  
 8 to be used or engaged in, or enter into an agreement, com-  
 9 bination, or conspiracy to use or engage in or to cause to  
 10 be used or engaged in, any fraudulent trick, scheme, or  
 11 device, for the purpose of securing or obtaining, or aiding to  
 12 secure or obtain, for any person any payment, property, or  
 13 other benefits from the United States or any Federal agency  
 14 in connection with the procurement, transfer, or disposition  
 15 of property hereunder—

16 (1) shall pay to the United States the sum of  
 17 \$2,000 for each such act, and double the amount of any  
 18 damage which the United States may have sustained by  
 19 reason thereof, together with the cost of suit; or

20 (2) shall, if the United States shall so elect, pay  
 21 to the United States, as liquidated damages, a sum equal  
 22 to twice the consideration agreed to be given by the  
 23 United States or any Federal agency to such person or  
 24 by such person to the United States or any Federal  
 25 agency, as the case may be; or

1           (3) shall, if the United States shall so elect, re-  
2       store to the United States the money or property thus  
3       secured and obtained and the United States shall retain  
4       as liquidated damages any property, money, or other  
5       consideration given to the United States or any Federal  
6       agency for such money or property, as the case may be.

7       (c) The several district courts of the United States,  
8       the District Court of the United States for the District of  
9       Columbia, and the several district courts of the Territories  
10      and possessions of the United States, within whose jurisdic-  
11      tional limits the person, or persons, doing or committing such  
12      act, or any one of them, resides or shall be found, shall where-  
13      soever such act may have been done or committed, have  
14      full power and jurisdiction to hear, try, and determine such  
15      suit.

16      (d) The civil remedies provided in this section shall  
17      be in addition to all other criminal penalties and civil  
18      remedies provided by law.

19                               REPORTS TO CONGRESS

20      SEC. 210. The Administrator shall submit a report to  
21      the Congress, in January of each year and at such  
22      other times as he may deem it desirable, regarding the ad-  
23      ministration of his functions under this Act, together with  
24      such recommendations for amendments to this Act as



1 he may deem appropriate as the result of the administration  
2 of this Act.

3 TITLE III—PROCUREMENT PROCEDURE

4 DECLARATION OF PURPOSE

5 SEC. 301. The purpose of this title is to facilitate the  
6 procurement of supplies and services.

7 APPLICATION AND PROCUREMENT METHODS

8 SEC. 302. (a) The provisions of this title shall be ap-  
9 plicable to purchases and contracts for supplies or services  
10 made—

11 (1) by the General Services Agency for the use  
12 of such agency or otherwise; and

13 (2) by any other executive agency (except any  
14 agency named in section 2 (a) of the Armed Services  
15 Procurement Act of 1947), to the extent of and in con-  
16 formity with authority delegated by the Administrator  
17 pursuant to the provisions of this subsection.

18 The Administrator may delegate to the head of any other  
19 such agency authority to make purchases and contracts for  
20 supplies or services pursuant to the provisions of this title  
21 (A) for the use of two or more executive agencies or (B)  
22 in other cases upon a determination by the Administrator  
23 that by reason of circumstances set forth in such determina-  
24 tion such delegation is advantageous to the Government in

1 terms of economy, efficiency, or national security. Notice  
2 of every such delegation of authority so made shall be fur-  
3 nished to the General Accounting Office.

4 (b) It is the declared policy of the Congress that a fair  
5 proportion of the total purchases and contracts for supplies  
6 and services for the Government shall be placed with small-  
7 business concerns. Whenever it is proposed to make a  
8 contract or purchase in excess of \$10,000 by negotiation  
9 and without advertising, pursuant to the authority of para-  
10 graph (7) or (8) of section 302 (c) of this title, suitable  
11 advance publicity, as determined by the agency head with  
12 due regard to the type of supplies involved and other rel-  
13 evant considerations, shall be given for a period of at least  
14 fifteen days, wherever practicable, as determined by the  
15 agency head.

16 (c) All purchases and contracts for supplies and serv-  
17 ices shall be made by advertising, as provided in section 303,  
18 except that such purchases and contracts may be negotiated  
19 by the agency head without advertising if—

20 (1) determined to be necessary in the public  
21 interest during the period of a national emergency  
22 declared by the President or by the Congress;

23 (2) the public exigency will not admit of the delay  
24 incident to advertising;

25 (3) the aggregate amount involved does not exceed

1       \$1,000: *Provided*, That no agency other than the  
2       General Services Agency shall make any purchase of,  
3       or contract for, supplies or services in excess of \$500  
4       under this paragraph except in the exercise of authority  
5       conferred by the Administrator to procure and furnish  
6       supplies and services for the use of two or more executive  
7       agencies;

8               (4) for personal or professional services;

9               (5) for any service to be rendered by any univer-  
10       sity, college, or other educational institution;

11              (6) the supplies or services are to be procured and  
12       used outside the limits of the United States and its  
13       possessions;

14              (7) for medicines or medical supplies;

15              (8) for supplies purchased for authorized resale;

16              (9) for supplies or services for which it is imprac-  
17       ticable to secure competition;

18              (10) the agency head determines that the purchase  
19       or contract is for experimental, developmental, or re-  
20       search work, or for the manufacture or furnishing of  
21       supplies for experimentation, development, research, or  
22       test: *Provided*, That beginning six months after the  
23       effective date of this title and at the end of each six-  
24       month period thereafter, there shall be furnished to the  
25       Congress a report setting forth the name of each con-

1 tractor with whom a contract has been entered into  
2 pursuant to this paragraph (10) since the date of the  
3 last such report, the amount of the contract, and, with  
4 due consideration given to the national security, a de-  
5 scription of the work required to be performed  
6 thereunder;

7 (11) for supplies or services as to which the agency  
8 head determines that the character, ingredients, or com-  
9 ponents thereof are such that the purchase or contract  
10 should not be publicly disclosed;

11 (12) for equipment which the agency head deter-  
12 mines to be technical equipment, and as to which he  
13 determines that the procurement thereof without ad-  
14 vertising is necessary in special situations or in particular  
15 localities in order to assure standardization of equipment  
16 and interchangeability of parts and that such standard-  
17 ization and interchangeability is necessary in the public  
18 interest;

19 (13) for supplies or services as to which the agency  
20 head determines that bid prices after advertising there-  
21 for are not reasonable (either as to all or as to some part  
22 of the requirements) or have not been independently  
23 arrived at in open competition: *Provided*, That no  
24 negotiated purchase or contract may be entered into  
25 under this paragraph after the rejection of all or some

1 of the bids received unless (A) notification of the inten-  
2 tion to negotiate and reasonable opportunity to negotiate  
3 shall have been given by the agency head to each re-  
4 sponsible bidder and (B) the negotiated price is the  
5 lowest negotiated price offered by any responsible  
6 supplier; or

7 (14) otherwise authorized by law.

8 (d) If in the opinion of the agency head bids received  
9 after advertising evidence any violation of the antitrust laws  
10 he shall refer such bids to the Attorney General for appro-  
11 priate action.

12 (e) This section shall not be construed to (A) authorize  
13 the erection, repair, or furnishing of any public building or  
14 public improvement, but such authorization shall be required  
15 in the same manner as heretofore, or (B) permit any con-  
16 tract for the construction or repair of buildings, roads, side-  
17 walks, sewers, mains, or similar items to be negotiated with-  
18 out advertising as required by section 303, unless such con-  
19 tract is to be performed outside the continental United States  
20 or unless negotiation of such contract is authorized by the  
21 provisions of paragraph (1), (2), (3), (9), (10), (11),  
22 or (13) of subsection (c) of this section.

23 ADVERTISING REQUIREMENTS

24 SEC. 303. Whenever advertising is required—

25 (a) The advertisement for bids shall be made a sufficient

1 time previous to the purchase or contract, and specifications  
2 and invitations for bids shall permit such full and free com-  
3 petition as is consistent with the procurement of types of  
4 supplies and services necessary to meet the requirements of  
5 the agency concerned.

6 (b) All bids shall be publicly opened at the time and  
7 place stated in the advertisement. Award shall be made with  
8 reasonable promptness by written notice to that responsible  
9 bidder whose bid, conforming to the invitation for bids, will  
10 be most advantageous to the Government, price and other  
11 factors considered: *Provided*, That all bids may be rejected  
12 when the agency head determines that it is in the public  
13 interest so to do.

14 REQUIREMENTS OF NEGOTIATED CONTRACTS

15 SEC. 304. (a) Except as provided in subsection (b)  
16 of this section, contracts negotiated pursuant to section 302  
17 (c) may be of any type which in the opinion of the agency  
18 head will promote the best interests of the Government.  
19 Every contract negotiated pursuant to section 302 (c) shall  
20 contain a suitable warranty, as determined by the agency  
21 head, by the contractor that no person or selling agency  
22 has been employed or retained to solicit or secure such  
23 contract upon an agreement or understanding for a commis-  
24 sion, percentage, brokerage, or contingent fee, excepting  
25 bona fide employees or bona fide established commercial or

1 selling agencies maintained by the contractor for the pur-  
2 pose of securing business, for the breach or violation of  
3 which warranty the Government shall have the right to  
4 annul such contract without liability or in its discretion to  
5 deduct from the contract price or consideration the full  
6 amount of such commission, percentage, brokerage, or  
7 contingent fee.

8 (b) The cost-plus-a-percentage-of-cost system of con-  
9 tracting shall not be used, and in the case of a cost-plus-a-  
10 fixed-fee contract the fee shall not exceed 10 per centum  
11 of the estimated cost of the contract, exclusive of the fee,  
12 as determined by the agency head at the time of entering  
13 into such contract (except that a fee not in excess of 15  
14 per centum of such estimated cost is authorized in any  
15 such contract for experimental, developmental, or research  
16 work and that a fee inclusive of the contractor's costs and  
17 not in excess of 6 per centum of the estimated cost, exclu-  
18 sive of fees, as determined by the agency head at the time  
19 of entering into the contract, of the project to which such  
20 fee is applicable is authorized in contracts for architectural  
21 or engineering services relating to any public works or  
22 utility project). Neither a cost nor a cost-plus-a-fixed-fee  
23 contract nor an incentive-type contract shall be used unless  
24 the agency head determines that such method of contract-  
25 ing is likely to be less costly than other methods or that

1 it is impractical to secure supplies or services of the kind  
2 or quality required without the use of a cost or cost-plus-  
3 a-fixed-fee contract or an incentive-type contract. All cost  
4 and cost-plus-a-fixed-fee contracts shall provide for advance  
5 notification by the contractor to the procuring agency of  
6 any subcontract thereunder on a cost-plus-a-fixed-fee basis  
7 and of any fixed-price subcontract or purchase order which  
8 exceeds in dollar amount either \$25,000 or 5 per centum  
9 of the total estimated cost of the prime contract; and a  
10 procuring agency, through any authorized representative  
11 thereof, shall have the right to inspect the plans and to audit  
12 the books and records of any prime contractor or subcon-  
13 tractor engaged in the performance of a cost or cost-plus-a-  
14 fixed-fee contract.

15 ADVANCE PAYMENTS

16 SEC. 305. (a) The agency head may make advance  
17 payments under negotiated contracts heretofore or hereafter  
18 executed in any amount not exceeding the contract price  
19 upon such terms as the parties shall agree: *Provided*, That  
20 advance payments shall be made only upon adequate security  
21 and if the agency head determines that provision for such  
22 advance payments is in the public interest or in the interest  
23 of the national defense and is necessary and appropriate in  
24 order to procure required supplies or services under the  
25 contract.



1 (b) The terms governing advance payments may in-  
2 clude as security provision for, and upon inclusion of such  
3 provision there shall thereby be created, a lien in favor of  
4 the Government, paramount to all other liens, upon the  
5 supplies contracted for, upon the credit balance in any special  
6 account in which such payments may be deposited and upon  
7 such of the material and other property acquired for perform-  
8 ance of the contract as the parties shall agree.

9 WAIVER OF LIQUIDATED DAMAGES

10 SEC. 306. Whenever any contract made on behalf of  
11 the Government by the agency head or by officers authorized  
12 by him so to do includes a provision for liquidated damages  
13 for delay, the Comptroller General on the recommendation  
14 of the agency head is authorized and empowered to remit  
15 the whole or any part of such damages as in his discretion  
16 may be just and equitable.

17 ADMINISTRATIVE DETERMINATIONS AND DELEGATIONS

18 SEC. 307. (a) The determinations and decisions pro-  
19 vided in this title to be made by the Administrator or other  
20 agency head may be made with respect to individual pur-  
21 chases and contracts or with respect to classes of purchases  
22 or contracts, and shall be final. Except as provided in sub-  
23 section (b) of this section, the agency head is authorized  
24 to delegate his powers provided by this title, including the  
25 making of such determinations and decisions, in his discre-

1 tion and subject to his direction, to any other officer or  
2 officers or officials of the agency.

3 (b) The power of the agency head to make the deter-  
4 minations or decisions specified in paragraphs (11) and  
5 (12) of section 302 (c) and in section 305 (a) shall not  
6 be delegable, and the power to make the determinations  
7 or decisions specified in paragraph (10) of section 302 (c)  
8 shall be delegable only to a chief officer responsible for  
9 procurement and only with respect to contracts which will  
10 not require the expenditure of more than \$25,000. The  
11 power of the Administrator to make the delegations and  
12 determinations specified in section 302 (a) shall be delegable  
13 only to the Deputy Administrator or to the chief official  
14 of any principal organizational unit of the General Services  
15 Agency.

16 (c) Each determination or decision required by para-  
17 graphs (10), (11), (12), or (13) of section 302 (c), by  
18 section 304 or by section 305 (a) shall be based upon  
19 written findings made by the official making such deter-  
20 mination, which findings shall be final and shall be available  
21 within the agency for a period of at least six years following  
22 the date of the determination. A copy of the findings shall  
23 be submitted to the General Accounting Office with the  
24 contract.

25 (d) In any case where any purchase or contract is

51

1 negotiated pursuant to the provisions of section 302 (c),  
2 except in a case covered by paragraphs (2), (3), (4),  
3 (5), or (6) thereof, the data with respect to the negotiation  
4 shall be preserved in the files of the agency for a period of  
5 six years following final payment on such contract.

6 STATUTES CONTINUED IN EFFECT

7 SEC. 308. No purchase or contract shall be exempt  
8 from the Act of June 30, 1936 (49 Stat. 2036, as amended;  
9 41 U. S. C. 35 to 45), or from the Act of March 3, 1931  
10 (46 Stat. 1494, as amended; 40 U. S. C. 276a to 276a-6),  
11 solely by reason of having been entered into pursuant to sec-  
12 tion 302 (c) hereof without advertising, and the provisions  
13 of said Acts and of the Act of June 19, 1912 (37 Stat. 137,  
14 as amended; 40 U. S. C. 324 and 325a), if otherwise  
15 applicable, shall apply to such purchases and contracts.

16 DEFINITIONS

17 SEC. 309. As used in this title—

18 (a) The term "agency head" shall mean the head or  
19 any assistant head of any executive agency, and may at the  
20 option of the Administrator include the chief official of any  
21 principal organizational unit of the General Services Agency.

22 (b) The term "supplies" shall mean all property except  
23 land, and shall include, by way of description and without  
24 limitation, public works, buildings, facilities, ships, floating  
25 equipment, and vessels of every character, type and descrip-

tion (except the categories of naval vessels named in section 3 (d) ), aircraft, parts, accessories, equipment, machine tools and alteration or installation thereof.

STATUTES NOT APPLICABLE

SEC. 310. The following provisions of law shall not apply to the procurement of supplies or services (1) by the General Services Agency, or (2) within the scope of authority delegated by the Administrator to any other executive agency:

Revised Statutes, section 3709, as amended (41 U. S. C. 5) ;

Revised Statutes, section 3735 (41 U. S. C. 13) ;

Sections 1 and 2 of the Act of October 10, 1940 (54 Stat. 1109, as amended; 41 U. S. C. 6 and 6a).

TITLE IV—FOREIGN EXCESS PROPERTY

DISPOSAL OF FOREIGN EXCESS PROPERTY

SEC. 401. Each executive agency having foreign excess property shall be responsible for the disposal thereof: *Provided*, That (a) the head of each such executive agency shall, with respect to the disposition of such property, conform to the foreign policy of the United States; (b) the Secretary of State shall have the authority to use foreign currencies and credits acquired by the United States under section 402 (b) of this Act in order to effectuate the purposes of section 32 (b) (2) of the Surplus Property Act

1 of 1944, as amended, and the Foreign Service Buildings  
2 Act of May 7, 1926, as amended (including Public Law  
3 547, Seventy-ninth Congress (60 Stat. 663)), and for  
4 the purpose of paying any other governmental expenses pay-  
5 able in local currencies, and the authority to amend, modify,  
6 and renew agreements in effect on the effective date of  
7 this Act; (c) any foreign currencies or credits acquired  
8 by the Department of State pursuant to such agreements  
9 shall be administered in accordance with procedures that  
10 may from time to time be established by the Secretary of  
11 the Treasury and, if and when reduced to United States  
12 currency, shall be covered into the Treasury as miscellaneous  
13 receipts; and (d) the Department of State shall, except to  
14 such extent as the President shall otherwise determine, con-  
15 tinue to perform other functions with respect to agreements  
16 for the disposal of foreign excess property in effect on the  
17 effective date of this Act.

18                   METHODS AND TERMS OF DISPOSAL

19       SEC. 402. Foreign excess property may be disposed of  
20 (a) by sale, exchange, lease, or transfer, for cash, credit,  
21 or other property, with or without warranty, and upon such  
22 other terms and conditions as the head of the executive  
23 agency concerned deems proper; but in no event shall any  
24 agricultural commodity, food, or cotton or woolen goods be  
25 sold without a condition forbidding their importation into

1 the United States, unless the Secretary of Agriculture deter-  
2 mines that such property is in short supply in this country,  
3 or (b) for foreign currencies or credits, or substantial bene-  
4 fits or the discharge of claims resulting from the compromise  
5 or settlement of such claims by any executive agency in  
6 accordance with the law, whenever the head of the execu-  
7 tive agency concerned determines that it is in the interest  
8 of the United States to do so. Such property may be dis-  
9 posed of without advertising when the head of the executive  
10 agency concerned finds so doing to be most practicable and  
11 to be advantageous to the Government. The head of each  
12 executive agency responsible for the disposal of foreign  
13 excess property may execute such documents for the transfer  
14 of title or other interest in property and take such other  
15 action as he deems necessary or proper to dispose of such  
16 property; and may authorize the abandonment, destruction,  
17 or donation of foreign excess property under his control  
18 which has no commercial value or the estimated cost of  
19 care and handling of which would exceed the estimated  
20 proceeds from its sale.

21 PROCEEDS, FOREIGN CURRENCIES

22 SEC. 403. Proceeds from the sale, lease, or other dis-  
23 position of foreign excess property, (a) shall, if in the  
24 form of foreign currencies or credits, be administered in ac-  
25 cordance with procedures that may from time to time be

1 established by the Secretary of the Treasury, and (b) shall,  
2 if in United States currency, or when any proceeds in foreign  
3 currencies or credits shall be reduced to United States cur-  
4 rency, be covered into the Treasury as miscellaneous re-  
5 ceipts: *Provided*, That the provisions of section 204 (b)  
6 (which by their terms apply to property disposed of under  
7 title II) shall be applicable to proceeds of foreign excess  
8 property disposed of for United States currency under this  
9 title IV: *And provided further*, That any executive agency  
10 disposing of foreign excess property under this title (1) may  
11 deposit, in a special account with the Treasurer of the United  
12 States, such amount of the proceeds of such dispositions  
13 as it deems necessary to permit appropriate refunds to  
14 purchasers when any disposition is rescinded or does not  
15 become final, or payments for breach of any warranty, and  
16 (2) may withdraw therefrom amounts so to be refunded or  
17 paid, without regard to the origin of the funds withdrawn.

18 MISCELLANEOUS PROVISIONS

19 SEC. 404. (a) The President may prescribe such poli-  
20 cies, not inconsistent with the provisions of this title, as he  
21 shall deem necessary to effectuate the provisions of this title,  
22 which provisions shall guide each executive agency in carry-  
23 ing out its functions hereunder.

24 (b) Any authority conferred upon any executive agency  
25 or the head thereof by the provisions of this title may be

1 delegated, and successive redelegation thereof may be author-  
2 ized, by such head to any official in such agency or to the  
3 head of any other executive agency.

4 (e) The head of each executive agency responsible for  
5 the disposal of foreign excess property hereunder may, as  
6 may be necessary to carry out his functions under this  
7 title, (1) subject to the civil-service and classification laws,  
8 appoint and fix the compensation of personnel, and (2)  
9 without regard to the civil-service and classification laws,  
10 appoint and fix the compensation of personnel outside the  
11 continental limits of the United States.

12 (d) Each executive agency responsible for the dis-  
13 posal of foreign excess property under this title shall submit  
14 a report to Congress in January of each year or at such other  
15 time or times as he may deem desirable relative to its  
16 activities under this title, together with any appropriate  
17 recommendations.

18 (e) There shall be transferred from the Department of  
19 State to each other executive agency affected by this title  
20 such records, property, personnel, obligations, commitments,  
21 and unexpended balances of appropriations, allocations, and  
22 other funds, available or to be made available, as the Direc-  
23 tor of the Bureau of the Budget shall determine to relate to  
24 functions of such agency under this title which have here-  
25 tofore been administered by the Department of State.



1 TITLE V—GENERAL PROVISIONS

2 APPLICABILITY OF EXISTING PROCEDURES

3 SEC. 501. All policies, procedures, and directives  
4 prescribed—

5 (a) by either the Director, Bureau of Federal Sup-  
6 ply, or the Secretary of the Treasury and relating to  
7 any function transferred to or vested in the Adminis-  
8 trator by the provisions of this Act;

9 (b) by any officer of the Government under the  
10 authority of the Surplus Property Act of 1944, as  
11 amended, or under other authority with respect to sur-  
12 plus property or foreign excess property;

13 (c) by or under authority of the Federal Works  
14 Administrator or the head of any constituent agency of  
15 the Federal Works Agency; and

16 (d) by the Archivist of the United States or any  
17 other officer or body whose functions are transferred by  
18 title I of this Act,

19 in effect upon the effective date of this Act and not incon-  
20 sistent herewith, shall remain in full force and effect unless  
21 and until superseded, or except as they may be amended,  
22 under the authority of this Act or under other appropriate  
23 authority.

24 REPEAL AND SAVING PROVISIONS

25 SEC. 502. (a) There are hereby repealed—

1 (1) the Surplus Property Act of 1944, as amended  
2 (except sections 13 (g), 13 (h), 28, and 32 (b)  
3 (2) ), and sections 501 and 502 of Reorganization  
4 Plan Numbered 1 of 1947;

5 (2) that portion of the Act entitled "An Act mak-  
6 ing supplemental appropriations for the Executive Office  
7 and sundry independent executive bureaus, boards, com-  
8 missions, and offices, for the fiscal year ending June  
9 30, 1949, and for other purposes", approved June 30,  
10 1948 (Public Law 862, Eightieth Congress), as  
11 amended, appearing under the caption "Surplus prop-  
12 erty disposal";

13 (3) the Act entitled "An Act to authorize the  
14 Secretary of War to dispose of material no longer needed  
15 by the Army", approved February 28, 1936 (49 Stat.  
16 1147; 10 U. S. C. 1258) ;

17 (4) the Act entitled "An Act to authorize the  
18 Secretary of the Navy to dispose of material no longer  
19 needed by the Navy", approved May 23, 1930, as  
20 amended (46 Stat. 378; 34 U. S. C. 546c) ;

21 (5) section 5 of the Act of July 11, 1919 (41  
22 Stat. 67; 40 U. S. C. 311) ;

23 (6) section 1 of the Act of December 20, 1928  
24 (45 Stat. 1030; 40 U. S. C. 311a) ;

25 (7) the Act entitled "An Act to authorize the

1 Secretary of the Army, the Secretary of the Navy, and  
2 the Secretary of the Air Force to donate excess and  
3 surplus property for educational purposes", approved  
4 July 2, 1948 (Public Law 889, Eightieth Congress) ;

5 (8) section 203 of the Act of June 26, 1943 (57  
6 Stat. 195, as amended; 5 U. S. C. 118d-1) ;

7 (9) the Act of April 15, 1937 (50 Stat. 64; 5  
8 U. S. C. 118d) ;

9 (10) the second proviso contained in the para-  
10 graph of the Act of August 10, 1912 (37 Stat. 296;  
11 5 U. S. C. 545), headed "Contingent expenses, Depart-  
12 ment of Agriculture";

13 (11) the second proviso contained in the twentieth  
14 paragraph of section 1 of the Act of March 2, 1917  
15 (39 Stat. 973; 5 U. S. C. 494) ;

16 (12) the twenty-sixth paragraph under the head-  
17 ing "National Parks" of the Act of January 24, 1923  
18 (42 Stat. 1215; 16 U. S. C. 9) ;

19 (13) the fifth paragraph under the heading "Ex-  
20 periments and demonstrations in livestock production  
21 in the cane-sugar and cotton districts of the United  
22 States" of the Act of June 30, 1914 (38 Stat. 441; 5  
23 U. S. C. 546) ;

24 (14) the proviso contained in the second para-  
25 graph under the heading "Library, Department of

1     Agriculture" of the Act of March 4, 1915 (38 Stat.  
2     1107; 5 U. S. C. 548) ;

3     (15) the second proviso contained in the second  
4     paragraph under the heading "Clothing and camp and  
5     garrison equipage" of section 1 of the Act of August  
6     29, 1916 (39 Stat. 635; 10 U. S. C. 1271) ;

7     (16) the Act of May 11, 1939 (53 Stat. 739;  
8     10 U. S. C. 1271a) ;

9     (17) the fifth paragraph under the heading "Office  
10    of the Chief Signal Officer" of the Act of May 12, 1917  
11    (40 Stat. 43, as amended; 10 U. S. C. 1272) ;

12    (18) the third proviso contained in the second  
13    paragraph under the heading "Office of the Chief Signal  
14    Officer" of the Act of March 4, 1915 (38 Stat. 1064;  
15    10 U. S. C. 1273) ;

16    (19) the fourteenth paragraph under the heading  
17    "Smithsonian Institution" of section 1 of the Act of  
18    March 3, 1915 (38 Stat. 839; 20 U. S. C. 66) ;

19    (20) the second paragraph under the heading  
20    "Government hospital for the insane" of section 1 of  
21    the Act of August 1, 1914 (38 Stat. 649; 24 U. S. C.  
22    173) ;

23    (21) the second paragraph under the heading  
24    "Saint Elizabeths Hospital" of section 1 of the Act of  
25    June 12, 1917 (40 Stat. 153; 24 U. S. C. 174) ;

1           (22) the proviso contained in the second para-  
2 graph under the heading "Bureau of Supplies and Ac-  
3 counts" of the Act of August 22, 1912 (37 Stat. 346;  
4 34 U. S. C. 531a) ;

5           (23) the second proviso of the first paragraph  
6 under the heading "Bureau of Yards and Docks" of  
7 the Act of August 29, 1916 (34 U. S. C. 532) ;

8           (24) the proviso contained in the second paragraph  
9 under the heading "Maintenance, Quartermaster's De-  
10 partment, Marine Corps" of the Act of March 4, 1917  
11 (39 Stat. 1189; 34 U. S. C. 723) ;

12           (25) the twentieth paragraph under the heading  
13 "Bureau of Mines" of section 1 of the Act of July 19,  
14 1919 (41 Stat. 200; 40 U. S. C. 118) ;

15           (26) the first sentence of section 5 of the Act of  
16 March 4, 1915 (38 Stat. 1161; 41 U. S. C. 26) ;

17           (27) the third paragraph under the heading "In-  
18 terstate Commerce Commission" of section 1 of the Act  
19 of August 1, 1914 (38 Stat. 627; 49 U. S. C. 58) ;

20           (28) the Act of June 6, 1941 (55 Stat. 247;  
21 14 U. S. C. 31b) ;

22           (29) section 4 of the Act of June 17, 1910 (36  
23 Stat. 531; 41 U. S. C. 7) ;

24           (30) the Act of February 27, 1929 (45 Stat. 1341;  
25 41 U. S. C. 7a, 7b, 7c, and 7d) ; and

1 (31) section 1 of the Act of May 14, 1935 (49  
2 Stat. 234; 41 U. S. C. 7c-1).

3 (b) The provisions of the first, third, and fifth para-  
4 graphs of section 1 of Executive Order Numbered 6166 of  
5 June 10, 1933, are hereby superseded, insofar as they relate  
6 to any function now administered by the Bureau of Federal  
7 Supply except functions with respect to standard contract  
8 forms.

9 (c) The authority conferred by this Act is in addition  
10 to any authority conferred by any other law and shall not  
11 be subject to the provisions of any law inconsistent herewith,  
12 except that sections 205 (b) and 206 (c) of this Act shall  
13 not be applicable to any Government corporation or agency  
14 which is subject to the Government Corporation Control Act  
15 (59 Stat. 597; 31 U. S. C. 841).

16 (d) Nothing in this Act shall impair or affect any  
17 authority of—

18 (1) the President under the Philippine Property  
19 Act of 1946 (60 Stat. 418; 22 U. S. C. 1381) ;

20 (2) any executive agency with respect to any phase  
21 (including, but not limited to, procurement, storage,  
22 transportation, processing, and disposal) of any pro-  
23 gram conducted for purposes of resale, price support,  
24 grants to farmers, stabilization, transfer to foreign gov-  
25 ernments, or foreign aid, relief, or rehabilitation: *Pro-*

1       *vided*, That the agency carrying out such program shall,  
2       to the maximum extent practicable, consistent with the  
3       fulfillment of the purposes of the program and the effective and efficient  
4       conduct of its business, coordinate its  
5       operations with the requirements of this Act and the  
6       policies and regulations prescribed pursuant thereto;

7           (3) any executive agency named in the Armed  
8       Services Procurement Act of 1947, and the head thereof,  
9       with respect to the administration of said Act;

10          (4) the National Military Establishment with respect  
11       to property required for or located in occupied  
12       territories;

13          (5) the Secretary of Defense with respect to the  
14       administration of the National Industrial Reserve Act  
15       of 1948;

16          (6) the Secretary of Defense, the Munitions Board,  
17       and the Secretaries of the Army, Navy, and Air Force  
18       with respect to the administration of the Strategic and  
19       Critical Materials Stock Piling Act (60 Stat. 596),  
20       and provided that any imported materials which the  
21       authorized procuring agency shall certify to the Commissioner of Customs  
22       to be strategic and critical materials procured under said Act may be entered,  
23       or  
24       withdrawn from warehouse, free of duty;

1           (7) the Secretary of State under the Foreign Serv-  
2           ice Buildings Act of May 7, 1926, as amended;

3           (8) the Secretary of the Army and the Secretary  
4           of the Air Force with respect to the administration of  
5           section 1 (b) of the Act entitled "An Act to expedite  
6           the strengthening of the national defense", approved  
7           July 2, 1940 (54 Stat. 712) ;

8           (9) the Secretary of Agriculture or the Depart-  
9           ment of Agriculture under (A) the National School  
10          Lunch Act (60 Stat. 230) ; (B) the Farmers Home  
11          Administration Act of 1946 (60 Stat. 1062) ; (C) the  
12          Act of August 31, 1947, Public Law 298, Eightieth  
13          Congress, with respect to the disposal of labor supply  
14          centers, and labor homes, labor camps, or facilities; (D)  
15          section 32 of the Act of August 24, 1935 (49 Stat.  
16          774), as amended, with respect to the exportation and  
17          domestic consumption of agricultural products; or (E)  
18          section 201 of the Agricultural Adjustment Act of  
19          1938 (52 Stat. 36) or section 203 (j) of the Agri-  
20          cultural Marketing Act of 1946 (60 Stat. 1082) ;

21          (10) the Secretary of Agriculture, Farm Credit  
22          Administration, or any farm credit board under section  
23          6 (b) of the Farm Credit Act of 1937 (50 Stat. 706),  
24          with respect to the acquisition or disposal of property;

25          (11) the Housing and Home Finance Agency, or



1 any officer or constituent agency therein, with respect  
2 to the disposal of residential property, or of other prop-  
3 erty (real or personal) held as part of or acquired for  
4 or in connection with residential property, or in connec-  
5 tion with the insurance of mortgages, loans, or savings  
6 and loan accounts under the National Housing Act;

7 (12) the Tennessee Valley Authority with respect to  
8 nonpersonal services, with respect to the matters referred  
9 to in section 201 (a) (4), and with respect to any  
10 property acquired or to be acquired for or in connection  
11 with any program of processing, manufacture, produc-  
12 tion, or force account construction: *Provided*, That the  
13 Tennessee Valley Authority shall to the maximum extent  
14 that it may deem practicable, consistent with the fulfill-  
15 ment of the purpose of its program and the effective  
16 and efficient conduct of its business, coordinate its opera-  
17 tions with the requirements of this Act and the policies  
18 and regulations prescribed pursuant thereto;

19 (13) the Atomic Energy Commission;

20 (14) the Administrator of Civil Aeronautics or the  
21 Chief of the Weather Bureau with respect to the dis-  
22 posal of airport property and airway property for use  
23 as such property. For the purpose of this paragraph  
24 the terms "airport property" and "airway property"  
25 shall have the respective meanings ascribed to them in

1 the International Aviation Facilities Act (62 Stat.  
2 450) ;

3 (15) the Postmaster General or the Postal Estab-  
4 lishment with respect to the means and methods of  
5 distribution and transportation of the mails, and con-  
6 tracts, negotiations, and proceedings before Federal and  
7 State regulatory and rate-making bodies, relating to the  
8 transportation of the mails;

9 (16) except as provided in subsections (a) and  
10 (b) hereof, any other law relating to the procurement,  
11 utilization, or disposal of property: *Provided, That,*  
12 subject to, and within the scope of authority conferred on  
13 the Administrator by other provisions of this Act, he  
14 is authorized to prescribe regulations to govern any pro-  
15 curement, utilization, or disposal of property under any  
16 such law, whenever but only to the extent he deems such  
17 action necessary to effectuate the provisions of title II;

18 (17) the Central Intelligence Agency; nor

19 (18) for such period of time as the President may  
20 specify, any other authority of any executive agency  
21 which the President determines within one year after  
22 the effective date of this Act should, in the public  
23 interest, stand unimpaired by this Act.

24 (e) Section 3709, Revised Statutes, as amended (41

1 U. S. C. 5), is amended by striking out "\$100" wherever  
2 it appears therein and inserting in lieu thereof "\$500."

3 (f) The Administrator shall report to the Congress,  
4 in January of each year, and at such other times as he may  
5 deem it desirable, the laws becoming obsolete by reason of  
6 the passage or operation of titles II and III of this Act.

7 AUTHORIZATION FOR APPROPRIATIONS AND TRANSFER

8 AUTHORITY

9 SEC. 503. (a) There are hereby authorized to be ap-  
10 propriated such sums as may be necessary to carry out the  
11 provisions of this Act.

12 (b) When authorized by the Director of the Bureau  
13 of the Budget, any Federal agency may use, for the dis-  
14 position of property under this Act, and for its care and  
15 handling pending such disposition, any funds heretofore or  
16 hereafter appropriated, allocated, or available to it for pur-  
17 poses similar to those provided for in sections 201, 202,  
18 203, and 205 of this Act.

19 SEPARABILITY

20 SEC. 504. If any provision of this Act, or the applica-  
21 tion thereof to any person or circumstances, is held invalid,  
22 the remainder of this Act, and the application of such  
23 provision to other persons or circumstances, shall not be  
24 affected thereby.

68

**1** **EFFECTIVE DATE**

2 SEC. 505. This Act shall become effective on July 1,  
3 1949, except that the provisions of section 502 (a) (2)  
4 (repealing prior law relating to the disposition of the affairs  
5 of the War Assets Administration) shall become effective  
6 on June 30, 1949.

Calendar No. 467

81st CONGRESS  
1st Session

**S. 2020**

[Report No. 475]

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**A BILL**

To simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes.

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By Mr. McCLELLAN

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JUNE 8 (legislative day, JUNE 2), 1949  
Read twice and placed on the calendar